# MANITOBA BUDGET 2013

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Manitoba

**This document is available on the Internet at:**

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**Information available at this site includes:**

- The 2013 Manitoba Budget Address
- Budget 2013
- Budget Papers
  - A Economic Review and Outlook
    - Appendix 1: Manitoba's North
    - Appendix 2: Growing Rural Manitoba – Investing in Sustainable Growth Opportunities
  - B Supplementary Financial Information
  - C Taxation Adjustments
    - Appendix 1: Manitoba Tax Expenditures
    - Appendix 2: The Manitoba Advantage
    - Appendix 3: Manitoba's Competitive Environment for Manufacturing
  - D Update on Fiscal Arrangements
    - Appendix: Description of Major Federal Transfers to Provinces and Territories
  - E Reducing Poverty and Promoting Social Inclusion
    - Appendix: Manitoba's Indicators of Poverty Reduction and Social Inclusion
- Estimates of Expenditure and Revenue for the Fiscal Year Ending March 31, 2014
- Tax News
- Financial Reports
- Economic Highlights
- Economic Statistics

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www.gov.mb.ca/finance/index.fr.html comprennent:

- Discours du Budget 2013 du Manitoba
- Budget 2013
- Budget des dépenses et des recettes pour l'exercice se terminant le 31 mars 2014
- Bulletin de nouvelles fiscales
- Rapports financiers
- Points saillants de l'économie du Manitoba
- Statistiques économiques

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Printed on recycled paper.

ISSN 1913 - 2492

# BUDGET 2013

## CONTENTS

SUMMARY BUDGET 2013/14 ..... 1

FINANCIAL MANAGEMENT STRATEGY ..... 7

APPENDICES

1 MANITOBA SUMMARY FINANCIAL STATISTICS ..... 19

2 SUMMARY BUDGET USER'S GUIDE ..... 23

3 ENTITIES INCLUDED IN SUMMARY BUDGET (GOVERNMENT REPORTING ENTITY) ..... 33

BUDGET PAPERS

A Economic Review and Outlook
Appendix 1: Manitoba's North
Appendix 2: Growing Rural Manitoba – Investing in Sustainable Growth Opportunities

B Supplementary Financial Information

C Taxation Adjustments
Appendix 1: Manitoba Tax Expenditures
Appendix 2: The Manitoba Advantage
Appendix 3: Manitoba's Competitive Environment for Manufacturing

D Update on Fiscal Arrangements
Appendix: Description of Major Federal Transfers to Provinces and Territories

E Reducing Poverty and Promoting Social Inclusion
Appendix: Manitoba's Indicators of Poverty Reduction and Social Inclusion

## FOREWORD

Budget 2013 provides the financial overview of the Government Reporting Entity (GRE), which includes core government and Crown organizations, government business entities and public sector organizations such as regional health authorities, school divisions, universities and colleges. Manitoba's Summary Budget aligns with the accounting standards set by the Public Sector Accounting Board (PSAB) and fully reflects Generally Accepted Accounting Principles (GAAP). A Summary Budget presents a complete picture of how the provincial government and the other related entities operate as a whole, and what the total cost is of providing services and programs to people in Manitoba.

To ensure transparency and accountability, Schedules 1 and 2 in this Budget present information on core government estimates of expenditure and revenue reconciled to the Summary Budget.

Budget 2013 includes an updated Financial Management Strategy, which sets out the government's priorities for financial management as well as measurable outcomes for each priority. These outcomes will be reported on in the fall of 2014.

The information provided in this document will help the public assess the fiscal environment and financial status of the government.

# SUMMARY BUDGET 2013/14

# SUMMARY BUDGET

For the Fiscal Year Ending March 31, 2014

With Comparative Data for the year ending March 31, 2013

| | 2013/14 Budget | 2012/13 Forecast | 2012/13 Budget | Per Cent Change 2013/14 Budget from 2012/13 Forecast | Per Cent Change 2013/14 Budget from 2012/13 Budget |
|---|---|---|---|---|---|
| | | (Millions of Dollars) | | | |
| **REVENUE SOURCE** | | | | | |
| Income Taxes | 3,366 | 3,291 | 3,202 | 2.3 | 5.1 |
| Other Taxes | 4,015 | 3,630 | 3,684 | 10.6 | 9.0 |
| Fees and Other Revenue | 1,987 | 2,027 | 2,009 | (2.0) | (1.1) |
| Federal Transfers | 3,849 | 3,898 | 3,889 | (1.3) | (1.0) |
| Net Income of Government Business Enterprises | 738 | 685 | 722 | 7.7 | 2.2 |
| Sinking Funds and Other Earnings | 227 | 233 | 241 | (2.6) | (5.8) |
| **TOTAL REVENUE** | 14,182 | 13,764 | 13,747 | 3.0 | 3.2 |
| **EXPENDITURE SECTORS** | | | | | |
| Health | 5,660 | 5,416 | 5,547 | 4.5 | 2.0 |
| Education | 3,807 | 3,643 | 3,605 | 4.5 | 5.6 |
| Family Services | 1,133 | 1,109 | 1,066 | 2.2 | 6.3 |
| Community, Economic and Resource Development | 2,484 | 2,466 | 2,447 | 0.7 | 1.5 |
| Justice and Other Expenditures | 924 | 950 | 925 | (2.7) | (0.1) |
| Debt Servicing Costs | 839 | 820 | 858 | 2.3 | (2.2) |
| **TOTAL EXPENDITURE** | 14,847 | 14,404 | 14,448 | 3.1 | 2.8 |
| In-Year Adjustments/Lapse | (150) | (57) | (241) | | |
| **NET RESULT FOR THE YEAR** | (515) | (583) | (460) | | |
| **2013 SPRING FLOOD CONTINGENCY** | | | | | |
| Expenditures | (30) | - | - | | |
| Recovery from Disaster Financial Assistance | 27 | - | - | | |
| **TOTAL 2013 SPRING FLOOD CONTINGENCY** | (3) | - | - | | |
| **NET INCOME (LOSS)** | (518) | (583) | (460) | | |

NOTES:

- The 2012/13 Budget numbers originally presented in the 2012 Budget Address and the 2012/13 forecast from the Third Quarter Financial Report have been re-stated to be consistent with the current presentation for the GRE.
- Details of Expenditure and Revenue for Fiscal Year 2013/14, and a reconciliation to the amounts reported for core government are found in Schedules 1 and 2.
- The 2012/13 expenditure forecast includes reductions related to Program Portfolio Management Reviews.
- In-Year Adjustments/Lapse could be an increase in revenue and/or decrease in expenditure.
- The 2012/13 Budget In-Year Adjustments/Lapse includes $128 million for the Program Portfolio Management Reviews.
- Numbers may not add due to rounding.

# SUMMARY BUDGET 2013/14

## Revenue

Revenue in 2013/14, including new revenue measures, is projected to increase $418 million or 3% from the 2012/13 Forecast.

Income taxes are projected to increase by $75 million, with a $109 million increase in Individual Income Tax offset by a decrease of $34 million in Corporation Income Tax. Budget 2013 projects a $385 million or 10.6%, increase in other taxes, principally reflecting an increase in retail sales tax. Fees and Other Revenue are projected to decline $40 million or 2%. Net Income of Government Business Enterprises (GBEs) is projected to increase $53 million or 7.7%. Federal transfers are projected to decrease $49 million or 1.3%.

## Expenditure

Total expenditure is budgeted to increase $443 million or 3.1% from the 2012/13 Forecast.

The growth in Health expenditure is $244 million or 4.5%. Education-related expenditure is increasing by $164 million or 4.5%. Family Services is up $24 million or 2.2%. Community, Economic and Resource Development expenditure will increase by $18 million or 0.7%. Manitoba Justice is increasing by $13 million or 2.6%. Overall, the Justice and Other Expenditures sector will decrease by $26 million or 2.7%. Debt Servicing Costs are expected to increase by $19 million.[1]

In Budget 2013, services to people represent 76.3% of spending.

Health expenditure makes up 38.1% of total expenditure.

Education accounts for 25.6% of all expenditure; it includes public schools and post-secondary institutions.

Family Services, Justice, and Housing and Community Development represent 12.6% of total expenditure.

[1] Debt Servicing Costs are forecast to equal 5.9¢ of every dollar of revenue in 2013/14, down 55.3% from 13.2¢ per dollar in 1999/2000.

## Schedule 1

# Summary Revenue Estimate: Details and Reconciliation to Core Government Estimates

Fiscal Year ending March 31, 2014 (in Thousands of Dollars)

| Source of Revenue | CORE GOVERNMENT Revenue Estimate | CONSOLIDATION IMPACTS and Revenue of Other Reporting Entities | SUMMARY |
|---|---|---|---|
| **Income Taxes** | | | |
| Individual Income Tax | 2,952,400 | - | 2,952,400 |
| Corporation Income Tax | 413,200 | - | 413,200 |
| **Subtotal: Income Taxes** | 3,365,600 | - | 3,365,600 |
| **Other Taxes** | | | |
| Corporations Taxes | 227,000 | - | 227,000 |
| Fuel Taxes | 312,100 | 13,700 | 325,800 |
| Land Transfer Tax | 74,000 | - | 74,000 |
| Levy for Health and Education | 433,500 | (107,472) | 326,028 |
| Mining Tax | 40,000 | - | 40,000 |
| Retail Sales Tax | 2,047,200 | - | 2,047,200 |
| Tobacco Tax | 283,000 | - | 283,000 |
| Other Taxes | 16,173 | - | 16,173 |
| Education Property Taxes | - | 676,019 | 676,019 |
| **Subtotal: Other Taxes** | 3,432,973 | 582,247 | 4,015,220 |
| **Fees and Other Revenue** | | | |
| Fines and Costs and Other Legal | 52,030 | - | 52,030 |
| Minerals and Petroleum | 29,074 | - | 29,074 |
| Automobile and Motor Carrier Licences and Fees | 140,530 | - | 140,530 |
| Parks: Forestry and Other Conservation | 32,446 | - | 32,446 |
| Water Power Rentals | 107,700 | - | 107,700 |
| Service Fees and Other Miscellaneous Charges | 166,196 | 1,174,579 | 1,340,775 |
| Revenue Sharing from SOAs | 16,880 | - | 16,880 |
| Tuition Fees | - | 267,673 | 267,673 |
| **Subtotal: Fees and Other Revenue** | 544,856 | 1,442,252 | 1,987,108 |
| **Federal Transfers** | | | |
| Equalization | 1,799,228 | - | 1,799,228 |
| Canada Health Transfer | 1,120,800 | - | 1,120,800 |
| Canada Social Transfer | 442,753 | - | 442,753 |
| Health Funds | 9,062 | - | 9,062 |
| Infrastructure Renewal | 22,100 | - | 22,100 |
| Shared Cost and Other Transfers | 144,403 | 310,440 | 454,843 |
| **Subtotal: Federal Transfers** | 3,538,346 | 310,440 | 3,848,786 |
| **Net Income of Government Business Enterprises (GBEs)** | | | |
| Manitoba Liquor and Lotteries Corporation | 615,055 | - | 615,055 |
| Deposit Guarantee Corporation | - | 21,561 | 21,561 |
| Manitoba Hydro | - | 72,000 | 72,000 |
| Workers Compensation Board | - | 10,608 | 10,608 |
| Manitoba Public Insurance Corporation | - | 18,234 | 18,234 |
| **Subtotal: Net Income of GBEs** | 615,055 | 122,403 | 737,458 |
| **Sinking Funds and Other Earnings** | - | 227,302 | 227,302 |
| **Total Revenue Estimate** | 11,496,830 | 2,684,644 | 14,181,474 |

NOTE: Legislation to effect the merger of Manitoba Liquor Control Commission and Manitoba Lotteries Corporation will be introduced in the spring session.

## Schedule 2

# Summary Expenditure Estimate: Details, Reconciliation to Core Government Estimates and Summary Budget Result

Fiscal Year ending March 31, 2014 (in Thousands of Dollars)

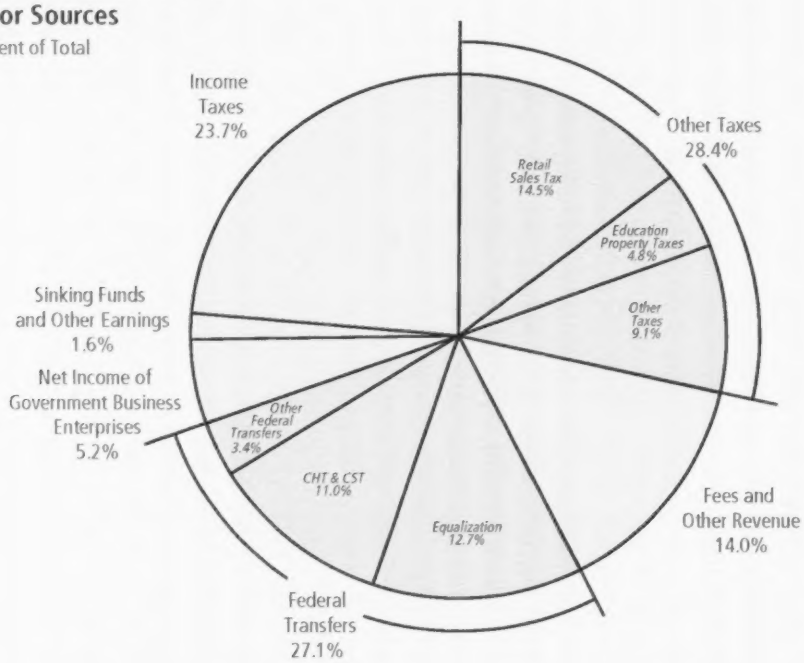
| Sector/Department | CORE GOVERNMENT Expenditure Estimate | CONSOLIDATION IMPACTS and Expenditures of Other Reporting Entities | SUMMARY |
|---|---|---|---|
| **Health** | | | |
| Health | 5,230,778 | 364,592 | 5,595,370 |
| Healthy Living, Seniors and Consumer Affairs | 55,490 | 9,112 | 64,602 |
| **Total Health** | 5,286,268 | 373,704 | 5,659,972 |
| **Education** | | | |
| Advanced Education and Literacy | 707,662 | 599,810 | 1,307,472 |
| Education | 1,681,786 | 817,971 | 2,499,757 |
| **Total Education** | 2,389,448 | 1,417,781 | 3,807,229 |
| **Family Services** | | | |
| Children and Youth Opportunities | 47,910 | - | 47,910 |
| Family Services and Labour | 1,097,412 | (12,034) | 1,085,378 |
| **Total Family Services** | 1,145,322 | (12,034) | 1,133,288 |
| **Community, Economic and Resource Development** | | | |
| Aboriginal and Northern Affairs | 34,249 | 2,902 | 37,151 |
| Agriculture, Food and Rural Initiatives | 214,643 | 255,270 | 469,913 |
| Conservation and Water Stewardship | 146,391 | (2,155) | 144,236 |
| Entrepreneurship, Training and Trade | 580,539 | 22,655 | 603,194 |
| Housing and Community Development | 82,587 | 137,178 | 219,765 |
| Infrastructure and Transportation | 639,203 | (140,898) | 498,305 |
| Innovation, Energy and Mines | 85,136 | 23,277 | 108,413 |
| Local Government | 398,678 | 4,663 | 403,341 |
| **Total Community, Economic and Resource Development** | 2,181,426 | 302,892 | 2,484,318 |
| **Justice and Other Expenditures** | | | |
| Legislative Assembly | 42,560 | (1,220) | 41,340 |
| Executive Council | 2,622 | (133) | 2,489 |
| Civil Service Commission | 20,200 | 468 | 20,668 |
| Culture, Heritage and Tourism | 60,841 | 5,872 | 66,713 |
| Employee Pensions and Other Costs | 18,288 | 52,000 | 70,288 |
| Finance | 69,166 | 4,093 | 73,259 |
| Immigration and Multiculturalism | 16,892 | 11,114 | 28,006 |
| Justice | 507,064 | 13,965 | 521,029 |
| Sport | 11,770 | 869 | 12,639 |
| Enabling Appropriations | 31,623 | - | 31,623 |
| Other Appropriations | 55,393 | - | 55,393 |
| **Total Justice and Other Expenditures** | 836,419 | 87,028 | 923,447 |
| **Debt Servicing Costs** | 230,000 | 608,682 | 838,682 |
| **Total Expenditure Estimate** | 12,068,883 | 2,778,053 | 14,846,936 |
| **Subtract: Total Revenue Estimate (Schedule 1)** | 11,496,830 | 2,684,644 | 14,181,474 |
| In-Year Adjustments/Lapse | (70,000) | (80,000) | (150,000) |
| **Net Result for the Year** | (502,053) | (13,409) | (515,462) |
| **2013 Spring Flood Contingency** | | | |
| Expenditures | (30,000) | - | (30,000) |
| Recovery from Disaster Financial Assistance | 27,000 | - | 27,000 |
| **Total 2013 Spring Flood** | (3,000) | - | (3,000) |
| **NET INCOME (LOSS)** | (505,053) | (13,409) | (518,462) |

NOTE: In-Year Adjustments/Lapse could be an increase in revenue and/or decrease in expenditures.

## Revenue, 2013/14

### Major Sources

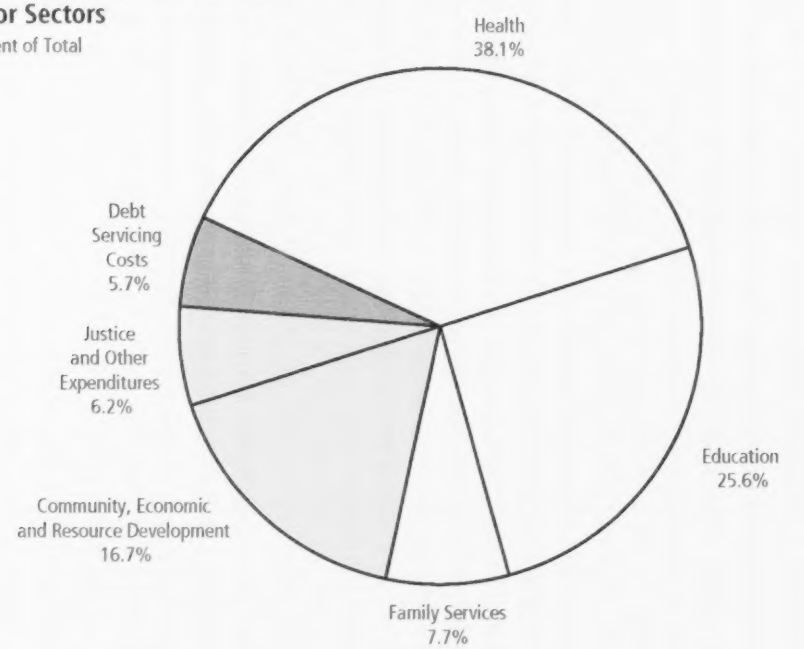
Per Cent of Total


Income Taxes 23.7%
Other Taxes 28.4%
Retail Sales Tax 14.5%
Education Property Taxes 4.8%
Other Taxes 9.1%
Sinking Funds and Other Earnings 1.6%
Net Income of Government Business Enterprises 5.2%
Other Federal Transfers 3.4%
CHT & CST 11.0%
Equalization 12.7%
Fees and Other Revenue 14.0%
Federal Transfers 27.1%

## Expenditure, 2013/14

### Major Sectors

Per Cent of Total



# FINANCIAL MANAGEMENT STRATEGY

## ■ FINANCIAL MANAGEMENT STRATEGY 2013/14

### Financial Management Priorities

The Financial Management Strategy (FMS) sets out the government's priorities for financial management. It includes four main priority areas with one or more measurable outcomes. Each measurable outcome includes objectives for the current year and for future years.

For 2013/14, the FMS continues to focus on priority areas identified in prior years and reflects government's balanced approach to return to surplus.

| FINANCIAL MANAGEMENT PRIORITY | MEASURABLE OUTCOMES |
|---|---|
| **Transparency, Accountability and Fiscal Discipline** | • Summary Budget Outlook<br>• Maintaining Accountability for Core Government Program Expenditure and Revenue |
| **Stable and Affordable Government** | • Credit Ratings<br>• Expenditures as a Percentage of Gross Domestic Product (GDP)<br>• Responsible Management of Public Resources |
| **Managing Debt** | • Debt Retirement<br>• Net Debt to GDP Ratio |
| **Infrastructure and Capital Asset Renewal** | • Capital Investments |

## ■ PRIORITY AREA – TRANSPARENCY, ACCOUNTABILITY AND FISCAL DISCIPLINE

Government has implemented a number of measures to ensure financial accountability and maintain fiscal discipline, including:

- implementing GAAP compliant summary financial statements as of March 31, 2005;
- implementing summary budgeting and reporting in 2007/08 to present comprehensive information on the total cost of providing programs and services to Manitobans and how the GRE operates as a whole;
- publishing a FMS as part of the annual budget and a report on outcomes within six months of the end of the fiscal year;
- implementing summary quarterly financial reporting, consistent with GAAP as of 2009/10;
- establishing a plan to reduce the unfunded pension liabilities;
- funding the employer's share of current service pension contributions for all employees; and
- ensuring all capital investments are amortized and all related costs are included in annual appropriations for core government.

The commitment to transparency, accountability and fiscal discipline continues in Budget 2013, with an update on the balanced financial strategy for 2013/14 and future years.

## Measurable Outcome – Summary Budget Outlook

With slower than anticipated global economic activity in 2011 and 2012, governments around the world continue to be affected by the fragile recovery from the Great Recession. Due to the sluggish recovery, the International Monetary Fund and other private sector forecasters recently lowered their economic outlook for 2013. While Manitoba's economy has traditionally been one of the most stable in Canada, economic growth continues to be modest. The current Manitoba Finance survey of forecasters calls for 2.2% GDP growth in 2012, slowing to 1.9% in 2013. With global demand improving, Manitoba's real GDP is expected to increase by 2.3% in 2014.

Budget 2013 reflects an updated multi-year financial strategy projecting a return to balance in 2016/17. Manitoba continues to be committed to a balanced approach for delivering services, while recognizing the continued uncertainty in global economies. Budget 2013 demonstrates this balanced approach by focusing on:

- supporting economic growth by upgrading needed infrastructure, restoring the damage from past floods and making investments to mitigate the impacts of future floods;
- investing in vital front-line services by continuing to improve health care, education and training, policing and supports for families;
- managing government spending strategically to ensure Manitobans' priorities come first;
- restoring balance and returning to surplus in Budget 2016; and
- maintaining affordability to keep Manitoba one of the best places to live, work and raise a family.

Challenges remain for the Canadian economies as they continue to expand at a subdued pace. Manitoba's updated strategy to return to surplus in Budget 2016 will keep the economy strong and growing.

## Summary Budget Outlook

| | 2012/13 Forecast | 2013/14 Budget | 2014/15 Projection | 2015/16 Projection | 2016/17 Projection |
|---|---|---|---|---|---|
| | | | (Millions of Dollars) | | |
| **REVENUE** | | | | | |
| Core Government[1] | 11,143 | 11,524 | 11,977 | 12,449 | 12,937 |
| Other Reporting Entities[2] | 2,621 | 2,685 | 2,575 | 2,618 | 2,671 |
| **TOTAL REVENUE** | 13,764 | 14,209 | 14,552 | 15,067 | 15,608 |
| **EXPENDITURE** | | | | | |
| Core Government Programs and Services[1] | 11,825 | 12,099 | 12,371 | 12,639 | 12,912 |
| Other Reporting Entities[2] | 2,579 | 2,778 | 2,696 | 2,742 | 2,797 |
| **TOTAL EXPENDITURE** | 14,404 | 14,877 | 15,067 | 15,381 | 15,709 |
| **Re-statement Adjustment** | | | | | |
| In-Year Adjustments/Lapse [3] | (57) | (150) | (150) | (150) | (150) |
| **SUMMARY NET INCOME (LOSS)** | (583) | (518) | (365) | (164) | 49 |

1 Includes 2013 Spring Flood Contingency of $30 million in expenditures offset by $27 million in revenue.
2 Includes Consolidation Impacts.
3 In-Year Adjustments/Lapse could be an increase in revenue and/or a decrease in expenditure.

The summary budget outlook assumes GRE revenue will rise by an average of 3.2% annually from 2013/14 to 2016/17, while GRE expenditures are forecast to increase by an annual average of 1.8% during the same period.

Core government revenue is forecast to rise by an average of 3.9% annually, while core government expenditure will grow by an annual average of 2.2% from 2013/14 to 2016/17.

Core government projections reflect the commitment to return to surplus, while protecting the services Manitoba families need. Budget 2013 makes strategic investments in infrastructure and focuses spending growth on key services. External economic factors associated with developments in the global economy present risks to the economic outlooks for Canada and Manitoba. Given the elevated level of global economic uncertainty, private sector forecasters expect Manitoba's overall economic growth to remain comparatively stable among provinces. The Manitoba government is committed to balancing summary net income over the medium term and Budget 2013 introduces more responsible, innovative ways to reduce the cost of government and to increase efficiency.

- Entrepreneurship Manitoba is being established to provide an integrated suite of programs and innovative service improvements for entrepreneurs and businesses.
- The operations of the Financial Institutions Regulation Branch have been integrated in the new Manitoba Financial Services Agency (formerly the Manitoba Securities Commission) to gain efficiencies, while acting in the public interest to protect Manitoba investors.
- Regional office amalgamations in the departments of Agriculture, Food and Rural Initiatives, Conservation and Water Stewardship, Entrepreneurship Training and Trade, and Infrastructure and Transportation will increase efficiency, while providing core government services.
- Administrative costs will be contained and the civil service will be reduced by 600 over a three-year period.

- The 20 per cent rollback on salaries for government ministers will continue.
- The focus on core government program priorities will continue.

These measures will result in more efficient use of public resources, declining deficits and the return to balance in 2016/17.

As part of the renewal of Manitoba's Video Lottery Terminal (VLT) program, Manitoba Liquor and Lotteries Corporation will enhance opportunities for VLT siteholders through the replacement of all VLTs across the province, increasing the number of VLTs by up to five machines for selected high-performing commercial sites, and adjusting the commission structure to benefit smaller sites. As well, additional machines will be made available to higher performing First Nations sites.

The deficit to GDP ratio measures a government's fiscal deficit, or the amount by which budgetary expenditures exceed revenues, in relation to the size of the overall economy. Broadly, it is an indicator of the size of the shortfall relative to all economic activity in the jurisdiction. Comparing this ratio over time permits an eventuation of the trend in the deficit. Manitoba's deficit as a percentage of GDP in 2013/14 is forecast at (0.8)%, down from the 2012/13 forecast of (1.0)%. This percentage is declining, demonstrating the commitment to achieve improved fiscal balances.

The balanced approach includes amendments to legislation that recognize the challenging economic conditions, while continuing to require a responsible plan to restore balance and provide a sustainable funding source for needed infrastructure. These amendments will:

- maintain the requirement to eliminate the budget shortfall with a return to surplus in 2016/17;
- keep the legal requirement to have balanced budgets into the future;
- include the provision for annual debt payments to resume once balance is achieved;
- continue with the provision to utilize the Fiscal Stabilization Account (FSA) to address the amortization of increases in general purpose debt and related interest expenses;
- recognize the requirement for immediate and future infrastructure investment; and
- continue with transparency through the reporting requirements.

Over the past three years, the government will have transferred $360 million out of the fiscal stabilization account to meet the legislative requirement noted above. Budget 2013 includes a $100 million draw for debt repayment only, in recognition of lower than anticipated interest rates.

The annual FMS and a report on outcomes will continue to be published. In addition, in-year financial reporting will provide updates on the progress made in achieving our balanced financial strategy.

### Measurable Outcome – Maintaining Accountability for Core Government Program Expenditure and Revenue

Legislation requires government to include a summary of core government expenditures and projected revenues as part of the FMS. This is consistent with the main estimates of expenditure and revenue for the fiscal year.

While core government expenditure will exceed revenue in Budget 2013, Manitoba's balanced financial strategy shows declining deficits over the medium term, with a return to balance in Budget 2016.

**Core Government Expenditure and Revenue, 2013/14**

| | (Millions of Dollars) |
|---|---|
| Revenue | 11,497 |
| Expenditure | 12,069 |
| In-Year Adjustments/Lapse | (70) |
| | (502) |
| 2013 Spring Flood Contingency | |
| Flood Fighting Expenditures | (30) |
| Recovery from Disaster Financial Assistance | 27 |
| | (3) |
| Net Result | (505) |

Year-end information on core government revenue and expenditure for 2013/14 will be provided as part of the FMS report on outcomes, scheduled to be released in the fall of 2014.

## ■ PRIORITY AREA – STABLE AND AFFORDABLE GOVERNMENT

The Manitoba government continues to be one of the most effective governments in Canada in containing costs. Keeping programs affordable is achieved by continuing to improve the way government operates and delivers services.

Manitoba uses public revenues effectively and efficiently to deliver affordable government programs and services.

As part of the balanced financial strategy, government will continue to carefully manage programs and services to protect the priorities of Manitobans.

### Measurable Outcome – Credit Ratings

Manitoba continues to maintain its reputation for fiscal responsibility. The government's measured approach to paying down debt and the pension liability, while dealing with the needs in health care and other program areas has been positively acknowledged by credit rating agencies.

This is reflected in the credit rating upgrades Manitoba received from Moody's Investors Service and by Standard & Poor's through 2007, and through the re-affirmation of Manitoba's credit quality by rating agencies in the last five years.

During this period of economic and financial recovery, Manitoba's stable and diversified economy, strong financial position and commitment to responsible financial management is anticipated to result in a steady credit outlook in 2013. The credit rating agencies are aware of the challenging economic conditions facing all Canadian provinces. Manitoba's balanced multi-year approach continues to include draws from the fiscal stabilization account to repay debt, while restoring balance.

The Manitoba government remains committed to maintaining fiscal responsibility to achieve stable or improving credit ratings into the future.

| Credit Rating Agency | 2007 Actual | 2008 Actual | 2009 Actual | 2010 Actual | 2011 Actual | 2012 Actual | 2013 Actual |
|---|---|---|---|---|---|---|---|
| DBRS | A(high) | A(high) | A(high) | A(high) | A(high) | A(high) | A(high) |
| Moody's | Aa1 | Aa1 | Aa1 | Aa1 | Aa1 | Aa1 | Aa1 |
| Standard & Poor's | AA-(positive) | AA | AA | AA | AA | AA | AA |

NOTE: As at March 31 (end of fiscal year)

## Measurable Outcome – Expenditures as a Percentage of Gross Domestic Production (GDP)

Maintaining stable and affordable government means managing the growth in spending to meet increasing demands for quality services. An effective measure of appropriate spending is the ratio of total expenditures as a percentage of GDP. This ratio has remained relatively stable over the last five years and is budgeted to decline in 2013/14.

Expenditure to GDP ratios are reflected in the following table and as part of Appendix 1, Summary Financial Statistics.

| | 2008/09 Actual | 2009/10 Actual | 2010/11 Actual | 2011/12 Actual | 2012/13 Forecast | 2013/14 Budget | 2014/15 Projection |
|---|---|---|---|---|---|---|---|
| | | | | (Per Cent) | | | |
| Core Program Expenditure | 18.9 | 20.0 | 19.6 | 20.8 | 19.5 | 19.1 | 18.8 |
| Other Reporting Entities Expenditure | 3.3 | 3.4 | 3.7 | 3.8 | 3.4 | 3.5 | 3.2 |
| Debt Servicing Costs | 1.6 | 1.5 | 1.4 | 1.4 | 1.4 | 1.4 | 1.3 |
| Total Expenditure | 23.8 | 24.9 | 24.7 | 26.1 | 24.2 | 24.0 | 23.3 |

The government's objective is to maintain a stable or declining ratio over the longer term.

## Measurable Outcome – Responsible Management of Public Resources

Responsible management and use of public resources are key to making government more effective. The government continues to explore ways to make sure that public spending remains under control and that tax dollars are used effectively and efficiently.

Budget 2013 continues to move forward on containing core government expenditure growth. The balanced financial strategy projects medium-term expenditure growth at 2.2%, enabling declining deficits, with a return to balance in 2016/17. Meeting government priorities and getting back to a balanced budget will require continuing review and reprioritization of existing funding and streamlining internal operations to find opportunities for lowering costs.

The government supports continuous internal review and reform to provide Manitobans with affordable, innovative and effective public service operations, programs and services. Lean management initiatives will be implemented throughout the year in support of this commitment. This will include continued rationalization of government offices and co-locating departmental staff where appropriate, while ensuring service levels remain constant.

The government will continue to emphasize reforms that improve accountability and transparency and sustainable programs that protect the priorities of Manitobans, including its commitment to reduce the civil service by 600 over three years. Measures have been implemented to meet the commitment.

## ■ PRIORITY AREA – MANAGING DEBT

Over the years, the government has continued to implement specific initiatives to ensure sound fiscal management. These include:

- addressing the unfunded pension liability;
- funding the employer's share of current service pension entitlements;
- ensuring all capital investments are amortized and all related costs are fully reflected in annual appropriations for core government; and
- establishing a plan to address core government deficits during the economic recovery period.

Solid debt management consists of a plan to address general purpose debt and the pension liability while making needed investments in Manitoba. The net debt to GDP ratio is one of the key indicators used by credit rating agencies in their analysis of provincial governments because it measures the level of debt relative to a province's financial capacity. Like all other Canadian jurisdictions, the impact of the economic downturn was an increase in Manitoba's net debt to GDP ratio. Consistent with the Summary Budget Outlook, this ratio stabilizes in 2014/15 and returns to a downward trend by 2015/16.

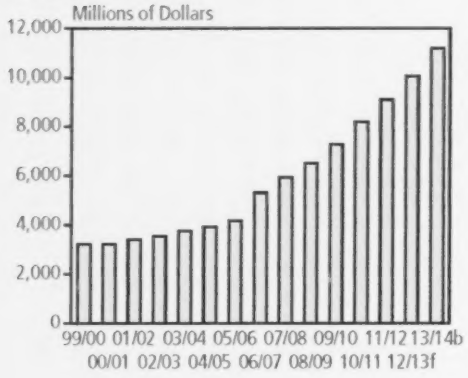
### Measurable Outcome – Debt Retirement

The government has contributed almost $1 billion to reduce the general purpose debt and meet pension obligations. Direct action to address the unfunded pension liabilities for the Civil Service Superannuation Plan (CSSP) and the Teachers' Retirement Allowances Fund (TRAF) began in 2007/08 with the government borrowing funds that would be invested by these two pension plans on behalf of the government.

Borrowing funds to pay down the previously unfunded pension liability is a sound fiscal decision, when the cost of borrowing is less than the actuarially determined expected rate of return on the plan assets and the rate of growth in the pension liability.

Since 2000, over $4.1 billion have been directed to pension obligations, including over $615 million of the annual debt retirement payments, $2.6 billion in new investment provided by the government since 2007 and net investment earnings projected to be $911 million by March 31, 2014. In addition, Budget 2013 includes $176 million in core government expenditures for the employer's share of current service pension obligations.

**Tangible Capital Assets – Net Book Value**




f - Forecast b - Budgeted

Source: Manitoba Finance

The potential benefits from borrowing to pay down pension liability are especially favourable in times like these with historically low interest rates. This is why the government will be assessing the merits of another round of borrowing to pay down some portion of the remaining unfunded liability.

The government continues to recognize capital investment as a priority in order to support economic growth and provide for the services Manitobans need in the future. The cost of these assets is amortized over a set period that represents the useful life of the asset as required by GAAP. The end result is increased infrastructure investment for Manitobans, accompanied by a fixed discipline for paying down the associated debt.

The investment in tangible capital assets has increased steadily over the last decade, and with the $1.7 billion investment in Budget 2013, is projected to total $18.7 billion at March 31, 2014, with $7.5 billion of

related debt retired through accumulated amortization. The net book value of these assets (cost less accumulated amortization) has more than tripled since 1999/2000 to $11.2 billion.

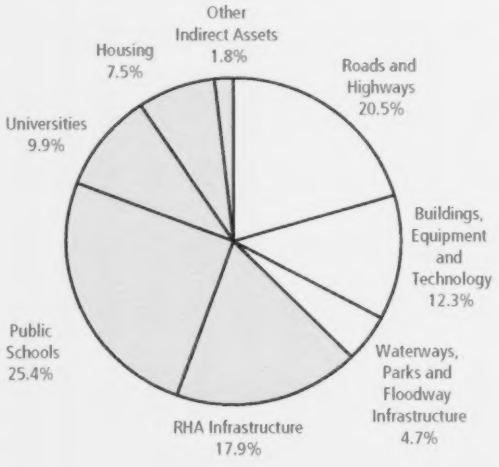
Manitoba's communities and the economy have benefited over the years from the significant investment in public capital assets such as health facilities, universities, colleges and schools as well as infrastructure assets such as roads, water-control structures and parks. To meet the needs of today's and future generations, it is necessary to continue to invest in renewal of these assets. The public good provided by these investments is immeasurable. It is estimated that the insured or replacement value of these investments exceeds $38 billion.

Based on projections, core government will have a total of $7.6 billion in capital asset investments at March 31, 2014, and $2.6 billion of related debt will have been retired through accumulated amortization.

A total of $353 million has been included in core government appropriations to retire debt associated with capital investments – $214 million for amortization of department owned assets and $139 million for principal payments for education and health-related assets.

**Replacement Value of Public Assets[1]**

Per Cent of Total




Total Value: **$38.7 billion**

[1] excludes municipal assets and assets of government business enterprises such as Manitoba Hydro

Indirect Assets: 62.5% Direct Assets: 37.5%

Totals may not add due to rounding.

Two thousand and eight saw the onset of the worst global economic downturn in a generation. Throughout the period of economic weakness, the government acted to stimulate the economy, protect jobs and preserve key services. This strategy helped Manitoba fare better than most provinces in weathering the recession. In 2011 and 2012, even as Manitoba's economic and fiscal recovery was challenged by a historically weak global economic recovery, the government was also forced to confront the devastating effects of flooding. As the government continues to work toward returning to balance, it will benefit from the past key investments in the economy and from the commitment to fiscal prudence – including a healthy FSA that will help mitigate the deficits expected in core government operations.

The government's balanced financial strategy maintains the legislated requirement to utilize the FSA for the amortization of increases in the general purpose debt, including related interest expenses that are attributable to negative net results incurred during the period of economic recovery. Existing funds in the Debt Retirement Account (DRA) were withdrawn in 2010/11 to repay $145 million of debt and further debt payments of $340 million have been made by withdrawal from the FSA – $90 million in 2010/11, $110 million in 2011/12 and $140 million in 2012/13. Budget 2013 provides for an additional debt payment of $100 million, for a total payment of $585 million. With a return to surplus position in Budget 2016, scheduled debt payments for general purpose debt will resume.

The government has a solid debt management plan which includes addressing the previously unfunded pension liability, budgeting for the employer's share of current service entitlements for all employees, ensuring all capital investments are amortized and all related costs are fully reflected in annual appropriations, and continuing to make debt repayments to mitigate core government operating deficits.

Strategic decision making has resulted in debt servicing costs as a percentage of revenue remaining constant. Since 1999/2000, the debt servicing cost rate has dropped by 55.3%, from 13.2¢ of every dollar of summary revenue collected to a forecasted level of 5.9¢ in Budget 2013.

Although the lingering financial uncertainty slowed progress, the government remains committed to reducing debt over time with an ultimate goal of eliminating the general purpose debt and the remaining unfunded pension liabilities.

### Measurable Outcome – Net Debt to GDP Ratio

Summary net debt is financial assets (such as cash or investments) minus total liabilities (such as loans or financing). It is the remaining liability that must be financed by future revenues.

Net debt may grow from time to time, as needed investments in capital assets – like the Red River Floodway, highway infrastructure and economic stimulus investments – are made. These forward-looking investments help support Manitoba's economy.

Therefore, it is important to measure changes in net debt against the growth of the economy as measured by the nominal GDP.

Manitoba's net debt to GDP has declined from 32.9% in 1999/2000 to a forecasted 28.7% in Budget 2013.

The government acknowledges that the ratio does need to rise in the short term as it makes needed investments in infrastructure projects, restores the damage from past floods and invests to mitigate impacts of future floods.

The outlook is for a decline in this ratio in 2015/16, demonstrating the government's commitment to return to a downward trend over the longer term.

## ■ PRIORITY AREA – INFRASTRUCTURE AND CAPITAL ASSET RENEWAL

Building and upgrading Manitoba's infrastructure has been a priority for the government since 1999. The government announced a four-year, $4.7 billion economic stimulus investment plan in November 2008 to fund key infrastructure projects across the province. Manitoba has also dedicated revenue raised through fuel taxes to fund infrastructure and in 2011, legislated the equivalent of one-seventh of the provincial sales tax revenue to support investment in municipal infrastructure and public transit. Record levels of investment in roads and bridges, water and wastewater treatment plants, health facilities, and schools, colleges and universities have driven growth and created a wealth of economic opportunities across the province.

Budget 2013 reinforces the commitment to infrastructure funding by continuing to support public service structures and systems that benefit the people of Manitoba. This investment includes projects to restore the damages from past floods and mitigate impacts of future floods.

### Measurable Outcome – Capital Investments

Based on principles of sound financial management, the government has been able to increase its assets, while maintaining a sustainable level of debt. Since 2000, the government has invested $11.3 billion in public capital assets, including: $3.8 billion for new or renewed hospitals, universities, colleges and public schools; $4.3 billion to upgrade Manitoba's roads and highways; and $3.2 billion for the Manitoba Floodway, the modernization and improvement of social housing, improving public service buildings and parks and camping infrastructure.

It is estimated that the insured or replacement value of these investments is more than $38 billion (see chart page 15).

Budget 2013 invests in much needed flood-related and other infrastructure to meet the needs of Manitobans into the future. This includes upgrading roads and highways, wastewater treatment plants, health facilities across the province, building and restoring much needed social housing, and modernizing our schools and post-secondary institutions.

Budget 2013 includes capital investment of $1.8 billion to support continued economic growth, reduce the maintenance burden and provide for the services Manitobans need in the future as outlined in the table below.

| | 2013/14 (Millions of Dollars) |
|---|---|
| Roads and Highways (including preservation and winter roads) | 622 |
| Universities, Colleges and Public Schools | 228 |
| Health Facilities | 350 |
| Manitoba Floodway and Water-Related Infrastructure | 48 |
| Housing (including third-party contributions) | 333 |
| Assistance to Third Parties | 123 |
| Public Service Buildings | 71 |
| Parks and Camping Infrastructure | 24 |
| | 1,799 |

The government's commitment to infrastructure investments and renewal of existing assets, while maintaining a fiscally responsible approach to budgeting and debt management, will continue to deliver benefits to Manitobans.

# APPENDIX 1
## MANITOBA SUMMARY FINANCIAL STATISTICS

# Manitoba Summary Financial Statistics

| SUMMARY FINANCIAL STATEMENTS | 2013/14 Budget | 2012/13 Forecast | 2011/12 Actual | 2010/11 Actual | 2009/10 Actual | 2008/09 Actual |
|---|---|---|---|---|---|---|
| | | | (Millions of Dollars) | | | |
| **Revenue** | | | | | | |
| Income Taxes | 3,366 | 3,291 | 3,124 | 2,922 | 2,659 | 2,841 |
| Other Taxes | 4,015 | 3,630 | 3,531 | 3,406 | 3,281 | 3,276 |
| Fees and Other Revenue | 1,987 | 2,027 | 1,906 | 1,828 | 1,792 | 1,722 |
| Federal Transfers | 3,849 | 3,898 | 4,332 | 4,047 | 3,924 | 3,866 |
| Net Income of Government Business Enterprises | 738 | 685 | 713 | 807 | 789 | 764 |
| Sinking Funds and Other Earnings | 227 | 233 | 249 | 230 | 220 | 296 |
| **Total Revenue** | 14,182 | 13,764 | 13,855 | 13,240 | 12,665 | 12,765 |
| **Expenditure** | | | | | | |
| Health | 5,660 | 5,416 | 5,328 | 5,044 | 4,831 | 4,590 |
| Education | 3,807 | 3,643 | 3,489 | 3,330 | 3,227 | 3,091 |
| Family Services | 1,133 | 1,109 | 1,013 | 978 | 1,295 | 1,192 |
| Community, Economic and Resource Development | 2,484 | 2,466 | 2,771 | 2,400 | 1,813 | 1,729 |
| Justice and Other Expenditures | 924 | 950 | 1,438 | 894 | 926 | 882 |
| Debt Servicing Costs | 839 | 820 | 815 | 773 | 756 | 830 |
| **Total Expenditure** | 14,847 | 14,404 | 14,854 | 13,419 | 12,848 | 12,314 |
| **In-Year Adjustments/Lapse** | (150) | (57) | - | - | - | - |
| **Net Result for the Year** | (515) | (583) | (999) | (179) | (183) | 451 |
| **2013 Spring Flood Contingency** | | | | | | |
| Expenditures | (30) | - | - | - | - | - |
| Recovery from Disaster Financial Assistance | 27 | - | - | - | - | - |
| **Total 2013 Spring Flood Contingency** | (3) | - | - | - | - | - |
| **Net Income (Loss)** | (518) | (583) | (999) | (179) | (183) | 451 |
| **Provincial Borrowings, Guarantees & Obligations** | | | | | | |
| General Government Programs | 8,659 | 8,254 | 7,803 | 6,955 | 6,863 | 6,400 |
| General Government Programs - Federal Flood Relief | - | 276 | 326 | - | - | - |
| General Government Programs - Pension Liability | 2,595 | 2,595 | 2,595 | 2,355 | 2,175 | 1,850 |
| The Manitoba Hydro-Electric Board | 11,046 | 9,608 | 8,999 | 8,362 | 7,730 | 7,499 |
| Other Crown Organizations | 2,397 | 2,247 | 1,926 | 1,641 | 1,478 | 1,341 |
| Health Facilities | 1,314 | 1,162 | 1,094 | 1,015 | 949 | 831 |
| Other | 17 | 27 | 37 | 51 | 65 | 78 |
| Capital Investments | 4,089 | 3,668 | 3,195 | 2,546 | 1,846 | 1,411 |
| **Subtotal** | 30,117 | 27,837 | 25,975 | 22,925 | 21,106 | 19,410 |
| **Other Obligations** | | | | | | |
| Pension Liability | 7,264 | 6,892 | 6,697 | 6,545 | 6,392 | 6,152 |
| Pension Asset Fund | (5,266) | (5,083) | (5,063) | (4,814) | (4,624) | (4,161) |
| Net Pension Liability | 1,998 | 1,809 | 1,634 | 1,731 | 1,768 | 1,991 |
| Debt incurred for and repayable by the Manitoba Hydro-Electric Board | (10,698) | (9,445) | (8,742) | (8,199) | (7,479) | (7,177) |
| Education and Health Debt held by Government Enterprises | 535 | 505 | 505 | 471 | 443 | 406 |
| Other Debt of Crown Organizations | 266 | 266 | 266 | 263 | 255 | 262 |
| **Subtotal** | (7,899) | (6,865) | (6,337) | (5,734) | (5,013) | (4,518) |
| **Total Summary Borrowings, Guarantees & Obligations** | 22,218 | 20,972 | 19,638 | 17,191 | 16,093 | 14,892 |
| **Adjustments to arrive at Summary Net Debt** | | | | | | |
| Guarantees | (351) | (166) | (257) | (165) | (255) | (326) |
| Net Financial Assets | (4,113) | (4,687) | (4,870) | (4,501) | (4,231) | (3,086) |
| **Summary Net Debt** | 17,754 | 16,119 | 14,511 | 12,525 | 11,607 | 11,480 |

NOTES:

- The 2012/13 Budget numbers originally presented in the 2012 Budget Address and the 2012/13 forecast from the Third Quarter Financial Report have been re-stated to be consistent with the current presentation for the GRE.
- Details of Expenditure and Revenue for Fiscal Year 2013/14, and a reconciliation to the amounts reported for core government are found in Schedules 1 and 2.
- In-Year Adjustments/Lapse could be an increase in revenue and/or decrease in expenditures.
- Numbers may not add due to rounding.

## Manitoba Summary Financial Statistics

| | 2013/14 Budget | 2012/13 Forecast | 2011/12 Actual | 2010/11 Actual | 2009/10 Actual | 2008/09 Actual |
|---|---|---|---|---|---|---|
| | | | (Percentage Change) | | | |
| **Annual Change** | | | | | | |
| Income Taxes | 2.3 | 5.3 | 6.9 | 9.9 | (6.4) | 7.1 |
| Other Taxes | 10.6 | 2.8 | 3.7 | 3.8 | 0.2 | (0.4) |
| Fees and Other Revenue | (2.0) | 6.3 | 4.3 | 2.0 | 4.1 | 5.8 |
| Federal Transfers | (1.3) | (10.0) | 7.0 | 3.1 | 1.5 | 7.5 |
| Total Revenue | 3.0 | (0.7) | 4.6 | 4.5 | (0.8) | 2.2 |
| Health | 4.5 | 1.7 | 5.6 | 4.4 | 5.3 | 8.5 |
| Education | 4.5 | 4.4 | 4.8 | 3.2 | 4.4 | (4.1) |
| Debt Servicing Costs | 2.3 | 0.6 | 5.4 | 2.2 | (8.9) | (3.9) |
| Total Expenditure | 3.1 | (3.0) | 10.7 | 4.4 | 4.3 | 3.1 |
| Summary Net Debt | 10.1 | 11.1 | 15.9 | 7.9 | 1.1 | 8.7 |
| | | | (Per Cent) | | | |
| **Per Cent of GDP** | | | | | | |
| Income Taxes | 5.4 | 5.5 | 5.5 | 5.4 | 5.2 | 5.5 |
| Other Taxes | 6.5 | 6.1 | 6.2 | 6.3 | 6.4 | 6.3 |
| Fees and Other Revenue | 3.2 | 3.4 | 3.3 | 3.4 | 3.5 | 3.3 |
| Federal Transfers | 6.2 | 6.6 | 7.6 | 7.5 | 7.6 | 7.5 |
| Total Revenue | 22.9 | 23.2 | 24.3 | 24.4 | 24.6 | 24.7 |
| Health | 9.2 | 9.1 | 9.4 | 9.3 | 9.4 | 8.9 |
| Education | 6.2 | 6.1 | 6.1 | 6.1 | 6.3 | 6.0 |
| Debt Servicing Costs | 1.4 | 1.4 | 1.4 | 1.4 | 1.5 | 1.6 |
| Total Expenditure | 24.0 | 24.2 | 26.1 | 24.7 | 24.9 | 23.8 |
| Summary Net Debt | 28.7 | 27.1 | 25.5 | 23.1 | 22.5 | 22.2 |
| **Per Cent of Revenue** | | | | | | |
| Income Taxes | 23.7 | 23.9 | 22.5 | 22.1 | 21.0 | 22.3 |
| Other Taxes | 28.3 | 26.4 | 25.5 | 25.7 | 25.9 | 25.7 |
| Fees and Other Revenue | 14.0 | 14.7 | 13.8 | 13.8 | 14.1 | 13.5 |
| Federal Transfers | 27.1 | 28.3 | 31.3 | 30.6 | 31.0 | 30.3 |
| Net Income of Government Business Enterprises | 5.2 | 5.0 | 5.1 | 6.1 | 6.2 | 6.0 |
| Sinking Funds and Other Earnings | 1.6 | 1.7 | 1.8 | 1.7 | 1.7 | 2.3 |
| | | | (Dollars) | | | |
| **Dollars Per Capita** | | | | | | |
| Total Revenue | 11,063 | 10,863 | 11,069 | 10,715 | 10,382 | 10,587 |
| Total Expenditure | 11,582 | 11,369 | 11,867 | 10,859 | 10,532 | 10,213 |
| Debt Servicing Costs | 654 | 647 | 651 | 626 | 620 | 688 |
| Summary Net Debt | 13,850 | 12,722 | 11,593 | 10,136 | 9,515 | 9,521 |
| **Memorandum Items** | | | | | | |
| Population (000's) * | 1,281.9f | 1,267.0 | 1,251.7 | 1,235.7 | 1,219.9 | 1,205.7 |
| GDP at Market Prices ($M) | 61,850f | 59,405f | 56,947 | 54,275 | 51,554 | 51,676 |

Source: Manitoba Finance

* official population July 1

f - Forecast

# APPENDIX 2
## SUMMARY BUDGET USER'S GUIDE

## INTRODUCTION

This document guides readers through the format of the Manitoba Budget. It includes three components: a general explanation of the structure of the Summary Budget, Annotated Summary Budget and Schedules, and a list of Frequently Asked Questions.

Schedule 1 (Summary Revenue Estimate) and Schedule 2 (Summary Expenditure Estimate) consolidate the Estimates of Expenditure and Revenue of core government with high-level projections of expenses and revenues of the Other Reporting Entities (OREs) of the GRE to produce the Summary Budget.

Although the additional revenues and expenses of entities such as universities, public schools and GBEs are included in the Summary Budget, the existing relationship between the government and the related entities does not change. Governance of these organizations and their relationships with government are not affected by the Summary Budget process.

## STRUCTURE OF THE SUMMARY BUDGET

The Summary Budget presents a high-level overview of revenue and expenditure of the entire GRE.

Revenue is reported under six categories.

- Income Taxes – are entirely revenue of core government.
- Other Taxes – includes the Retail Sales Tax and all of the other tax revenues of core government, as well as property taxes levied to support school funding.
- Fees and Other Revenue – includes fees such as automobile licences, park and forestry fees, and fees collected by Crown organizations such as fees for non-insured health services and rental revenue for Manitoba Housing and Renewal Corporation (MHRC). Tuition fees collected by universities and colleges are also included in this category.
- Federal Transfers – Equalization, Canada Health Transfer, Canada Social Transfer, and other grants and transfers are mostly received by core government, although some federal funds are provided directly to entities not included in core government, such as housing subsidies to MHRC, insurance premiums for agriculture programs and grants for public education.
- Net Income of GBEs – represents the net income of all GBEs. This income is added to the summary financial statements on a modified equity basis and includes the income of Manitoba Liquor and Lotteries Corporation whose net income continues to be recorded as revenue of core government.
- Sinking Funds and Other Earnings – are interest and other investment earnings on sinking funds and other investments held by core government and OREs. For core government estimates purposes, investment revenue is netted against debt servicing costs.

Expenditure has been classified by major sectors. See Appendix 3 for a list of entities in the GRE.

- Health – represents all health-related expenditures including the activities of Manitoba Health, and Manitoba Healthy Living, Seniors and Consumer Affairs, all Regional Health Authorities, hospitals and other health-related entities in the GRE.
- Education – represents costs associated with all primary, secondary and post-secondary education, including the operations of universities and colleges, and includes the activities of Manitoba Advanced Education and Literacy, and Manitoba Education. This also includes additional funding for teachers' pensions and programs funded by other sources.
- Family Services – includes all costs related to social service and youth programs, including the activities of Manitoba Family Services and Labour, and Children and Youth Opportunities.

- Community, Economic and Resource Development – includes expenditures related to infrastructure and other government services, including the activities of Manitoba Aboriginal and Northern Affairs; Manitoba Agriculture, Food and Rural Initiatives; Manitoba Conservation and Water Stewardship; Manitoba Entrepreneurship, Training and Trade; Manitoba Housing and Community Development; Manitoba Infrastructure and Transportation; Manitoba Innovation, Energy and Mines; and Manitoba Local Government.
- Justice and Other Expenditures – includes costs for Manitoba Justice services and the activities of the Legislative Assembly; Executive Council; Civil Service Commission; Manitoba Culture, Heritage and Tourism; Employee Pensions and Other Costs; Manitoba Finance; Manitoba Immigration and Multiculturalism; Manitoba Sport; and Enabling and Other Appropriations.
- Debt Servicing – contains the cost of interest and related expenses for the TRAF, the CSSP, capital funding and general purpose borrowings associated with all provincial summary borrowings, excluding debt servicing costs for debt incurred and repayable by The Manitoba Hydro-Electric Board. Debt servicing costs related to those borrowings are reflected in the net income of GBEs.

In-Year Adjustments/Lapse – could be an increase in revenue and/or a decrease in expenditure.

Net Income (Loss) is the "bottom line" – the result after Expenditure is subtracted from Revenue. This represents the GRE's financial result for the fiscal year.

## ANNOTATED SUMMARY BUDGET

The Summary Budget includes the revenue and expenditure of the entities in the GRE. Amounts are adjusted on consolidation to avoid counting the same revenue or expenditure twice.

**SUMMARY BUDGET**
For the Fiscal Year Ending March 31, 2014
With Comparative Data for the year ending March 31, 2013

| | 2013/14 Budget | 2012/13 Forecast | 2012/13 Budget |
|---|---|---|---|
| | | (Millions of Dollars) | |
| **REVENUE SOURCE** | | | |
| Income Taxes | 3,366 | 3,291 | 3,202 |
| Other Taxes | 4,015 | 3,630 | 3,684 |
| Fees and Other Revenue | 1,987 | 2,027 | 2,009 |
| Federal Transfers | 3,849 | 3,898 | 3,889 |
| Net Income of Government Business Enterprises | 738 | 685 | 722 |
| Sinking Funds and Other Earnings | 227 | 233 | 241 |
| **TOTAL REVENUE** | 14,182 | 13,764 | 13,747 |
| **EXPENDITURE SECTORS** | | | |
| Health | 5,660 | 5,416 | 5,547 |
| Education | 3,807 | 3,643 | 3,605 |
| Family Services | 1,133 | 1,109 | 1,066 |
| Community, Economic and Resource Development | 2,484 | 2,466 | 2,447 |
| Justice and Other Expenditures | 924 | 950 | 925 |
| Debt Servicing Costs | 839 | 820 | 858 |
| **TOTAL EXPENDITURE** | 14,847 | 14,404 | 14,448 |
| In-Year Adjustments/Lapse | (150) | (57) | (241) |
| **NET RESULT FOR THE YEAR** | (515) | (583) | (460) |
| **2013 SPRING FLOOD CONTINGENCY** | | | |

includes school property taxes

includes university and college tuition fees

Most Federal Transfers are received by core government but some entities also receive Federal Transfers or cost-shared payments directly.

includes all expenditures of Manitoba Education, Manitoba Advanced Education and Literacy, and K-12 public schools, colleges and universities

This includes all health-related expenditures of Manitoba Health, Manitoba Healthy Living, Youth and Seniors, hospitals, Regional Health Authorities and other health-related entities.

The revenue and expenditure of OREs are projections based on data obtained from the entities and may not represent final board-approved budget data from those entities. Many reporting entities have fiscal years and budget cycles different than core government. In those cases, data for the closest fiscal year-end date to core government's own year-end date are used.

## ■ ANNOTATED SUMMARY REVENUE ESTIMATE: DETAILS AND RECONCILIATION TO CORE GOVERNMENT ESTIMATES

**Schedule I** groups individual revenue sources under six categories, showing the contributions of core government and the impact of consolidating core government and OREs.

Category headings match those in the Summary Budget.

Similar types of revenue may be received by core government and reporting entities (ex. Service Fees and Shared-Cost Transfers).

**Schedule 1**

**Summary Revenue Estimate: Details and Reconciliation to Core Government Estimates**

Fiscal Year ending March 31, 2014 (in Thousands of Dollars)

| Source of Revenue | CORE GOVERNMENT Revenue Estimate | CONSOLIDATION IMPACTS and Revenue of Other Reporting Entities | SUMMARY |
|---|---|---|---|
| **Income Taxes** | | | |
| Individual Income Tax | 2,962,400 | | 2,962,400 |
| Corporation Income Tax | 413,200 | | 413,200 |
| **Subtotal: Income Taxes** | 3,365,600 | | 3,365,600 |
| **Other Taxes** | | | |
| Corporations Taxes | 227,000 | | 227,000 |
| Fuel Taxes | 312,100 | 13,700 | 325,800 |
| Land Transfer Tax | 74,000 | | 74,000 |
| Levy for Health and Education | 433,500 | (107,472) | 326,028 |
| Mining Tax | 40,000 | | 40,000 |
| Retail Sales Tax | 2,047,200 | | 2,047,200 |
| Tobacco Tax | 283,000 | | 283,000 |
| Other Taxes | 16,173 | | 16,173 |
| Education Property Taxes | | 676,019 | 676,019 |
| **Subtotal: Other Taxes** | 3,432,973 | 582,247 | 4,015,220 |
| **Fees and Other Revenue** | | | |
| Fines and Costs and Other Legal | 52,020 | | 52,020 |
| Minerals and Petroleum | 29,074 | | 29,074 |
| Automobile and Motor Carrier Licences and Fees | 140,530 | | 140,530 |
| Parks, Forestry and Other Conservation | 32,446 | | 32,446 |
| Water Power Rentals | 167,700 | | 167,700 |
| Service Fees and Other Miscellaneous Charges | 166,196 | 1,174,579 | 1,340,775 |
| Revenue Sharing from SOBs | 16,880 | | 16,880 |
| Tuition Fees | | 267,673 | 267,673 |
| **Subtotal: Fees and Other Revenue** | 544,856 | 1,442,252 | 1,987,108 |
| **Federal Transfers** | | | |
| Equalization | 1,799,228 | | 1,799,228 |
| Canada Health Transfer | 1,120,800 | | 1,120,800 |
| Canada Social Transfer | 442,753 | | 442,753 |
| Health Funds | 9,062 | | 9,062 |
| Infrastructure Renewal | 22,100 | | 22,100 |
| Shared Cost and Other Transfers | 144,403 | 310,440 | 454,843 |
| **Subtotal: Federal Transfers** | 3,538,346 | 310,440 | 3,848,786 |
| **Net Income of Government Business Enterprises (GBEs)** | | | |
| Manitoba Liquor and Lotteries Corporation | 615,055 | | 615,055 |
| Deposit Guarantee Corporation | | 21,561 | 21,561 |
| Manitoba Hydro | | 72,000 | 72,000 |
| Workers Compensation Board | | 10,608 | 10,608 |
| Manitoba Public Insurance Corporation | | 18,234 | 18,234 |
| **Subtotal: Net Income of GBEs** | 615,055 | 122,403 | 737,458 |
| **Sinking Funds and Other Earnings** | | 227,302 | 227,302 |
| **Total Revenue Estimate** | 11,496,830 | 2,684,644 | 14,181,474 |

NOTE: Legislation to effect the merger of Manitoba Liquor Control Commission and Manitoba Lotteries Corporation will be introduced in the spring session.

The revenue and expenditure of OREs are projections based on data obtained from the entities and may not represent final board-approved budget data from those entities. Many reporting entities have fiscal years and budget cycles different than core government. In those cases, data for the closest fiscal year-end date to core government's own year-end date are used.

## ■ ANNOTATED SUMMARY EXPENDITURE ESTIMATE: DETAILS, RECONCILIATION TO CORE GOVERNMENT ESTIMATES AND SUMMARY BUDGET RESULT

**Schedule 2** groups expenditures in six sectors. It shows core government expenditure estimates, consolidation impacts to avoid double counting of expenditures, and the additional expenditure of OREs, which is not financed by core government.

Expenditure of OREs is spending financed through sources other than core government.

Expenditure presented to the Legislative Assembly for approval.

Category headings match those in the Summary Budget.

Spending of OREs is shown alongside Estimates of Expenditure for the related department of core government.

**Schedule 2**

**Summary Expenditure Estimate: Details, Reconciliation to Core Government Estimates and Summary Budget Result**

Fiscal Year ending March 31, 2014 (in Thousands of Dollars)

| Sector/Department | CORE GOVERNMENT Expenditure Estimate | CONSOLIDATION IMPACTS and Expenditures of Other Reporting Entities | SUMMARY |
|---|---|---|---|
| **Health** | | | |
| Health | 5,230,778 | 364,592 | 5,595,370 |
| Healthy Living, Seniors and Consumer Affairs | 55,490 | 9,112 | 64,602 |
| **Total Health** | 5,286,268 | 373,704 | 5,659,972 |
| **Education** | | | |
| Advanced Education and Literacy | 707,662 | 599,810 | 1,307,472 |
| Education | 1,681,786 | 817,971 | 2,499,757 |
| **Total Education** | 2,389,448 | 1,417,781 | 3,807,229 |
| **Family Services** | | | |
| Children and Youth Opportunities | 47,910 | | 47,910 |
| Family Services and Labour | 1,097,412 | (12,034) | 1,085,378 |
| **Total Family Services** | 1,145,322 | (12,034) | 1,133,288 |
| **Community, Economic and Resource Development** | | | |
| Aboriginal and Northern Affairs | 34,249 | 2,902 | 37,151 |
| Agriculture, Food and Rural Initiatives | 214,643 | 255,270 | 469,913 |
| Conservation and Water Stewardship | 146,391 | (2,155) | 144,236 |
| Entrepreneurship, Training and Trade | 580,539 | 22,655 | 603,194 |
| Housing and Community Development | 82,587 | 137,178 | 219,765 |
| Infrastructure and Transportation | 639,203 | (140,898) | 498,305 |
| Innovation, Energy and Mines | 85,136 | 23,277 | 108,413 |
| Local Government | 398,678 | 4,663 | 403,341 |
| **Total Community, Economic and Resource Development** | 2,181,426 | 302,892 | 2,484,318 |
| **Justice and Other Expenditures** | | | |
| Legislative Assembly | 42,560 | (1,220) | 41,340 |
| Executive Council | 2,622 | (133) | 2,489 |
| Civil Service Commission | 20,200 | 468 | 20,668 |
| Culture, Heritage and Tourism | 60,841 | 5,872 | 66,713 |
| Employee Pensions and Other Costs | 18,288 | 52,000 | 70,288 |
| Finance | 69,166 | 4,093 | 73,259 |
| Immigration and Multiculturalism | 16,892 | 11,114 | 28,006 |
| Justice | 507,064 | 13,965 | 521,029 |
| Sport | 11,770 | 869 | 12,639 |
| Enabling Appropriations | 31,623 | | 31,623 |
| Other Appropriations | 55,393 | | 55,393 |
| **Total Justice and Other Expenditures** | 836,419 | 87,028 | 923,447 |
| **Debt Servicing Costs** | 230,000 | 608,682 | 838,682 |
| **Total Expenditure Estimate** | 12,068,883 | 2,778,053 | 14,846,936 |
| **Subtract: Total Revenue Estimate (Schedule 1)** | 11,496,830 | 2,684,644 | 14,181,474 |
| In-Year Adjustments/Lapse | (70,000) | (80,000) | (150,000) |
| **Net Result for the Year** | (502,053) | (13,409) | (515,462) |
| **2013 Spring Flood Contingency** | | | |
| Expenditures | (30,000) | | (30,000) |
| Recovery from Disaster Financial Assistance | 27,000 | | 27,000 |
| **Total 2013 Spring Flood** | (3,000) | | (3,000) |
| **NET INCOME (LOSS)** | (505,053) | (13,409) | (518,462) |

NOTE: In-Year Adjustments/Lapse could be an increase in revenue and/or decrease in expenditures.

The revenue and expenditure of OREs are projections based on data obtained from the entities and may not represent final board-approved budget data from those entities. Many reporting entities have fiscal years and budget cycles different than core government. In those cases, data for the closest fiscal year-end date to core government's own year-end date are used.

## ■ FREQUENTLY ASKED QUESTIONS

**Q1** What is a Summary Budget?

**A** A Summary Budget is a comprehensive picture of core government expenditure and revenue together with high-level projections for the operations of Crown organizations, GBEs and public sector organizations such as regional health authorities, school divisions, universities and colleges.

It is called a Summary Budget because the revenue and expenditure of general program and departmental operations of the government – the services of government usually associated with the Legislature – and the additional functions that are indirectly controlled by the provincial government, such as public schools and universities, are consolidated.

For example, public school expenditures paid for by school division property taxes and provincial support payments are shown together in one sum. This approach allows taxpayers to see the total cost of providing public school services.

**Q2** How can I tell how much the government raises as revenue and plans to spend on core government programs and services?

**A** Details of core government expenditure and revenue are presented in the Estimates of Expenditure and Revenue tabled in the Legislature. The Summary Budget and the Estimates both contain reconciliation schedules (Schedule 1 for Revenue, Schedule 2 for Expenditure), to help the reader move between the Summary Budget and the Estimates.

**Q3** What entities are included in the Summary Budget and where can I get more information about their plans?

**A** A listing of all the entities in the GRE is included in the Summary Budget as Appendix 3. The Summary Budget combines the Estimates of Expenditure and Revenue for core government with high-level projections for other reporting entities. Questions about financial information of OREs should be directed to the appropriate entity.

**Q4** As Manitoba's Budget is presented for the GRE, will the government use the revenues of OREs to pay for core government operations?

**A** A Summary Budget does not change the way in which core government operations are funded. Under the Summary Budget, only revenues from those Crown entities that have traditionally been used to support government programs and services (Manitoba Liquor and Lotteries Corporation and the Special Operating Agencies established by government) will continue to be used to support core government operations.

**Q5** If the government is not controlling the OREs directly, why does the government combine their revenue and expenses with its own in the Summary Budget?

**A** The Manitoba government acted on the recommendations of the Office of the Auditor General for Manitoba. GAAP and the PSAB standards for senior Canadian governments require provincial, territorial and federal governments to prepare their annual financial statements on this basis.

**Q6** How do core government and summary expenses differ?

**A** Core government expenses reflect the departmental expenditure estimates of the Manitoba government that are presented and approved by the Legislative Assembly. These expenditures include grants to OREs. The summary expenditures include incremental expenses of OREs that are financed from sources other than core government. The summary total reflects the total cost of the service provided, under the various sectors, that are financed by core government and the OREs.

**Q7** How does the Summary Budget treat pension liabilities?

**A** The pension liability is recorded in full in the Summary Financial Statements and therefore, changes in this liability are reflected in the Summary Budget. The pension expenses include amounts that are funded through the appropriations of core government as well as summary adjustments for actuarially determined increases in the value of the outstanding pension liability. Pension expenses related to TRAF are included in the Education sector.

**Q8** What is meant by Consolidation Impacts?

**A** Consolidation Impacts are adjustments needed to bring the revenue and expenditure of the OREs into the Summary Budget. They include adjustments needed to present the information on a consistent basis and to eliminate transactions between entities in the GRE, to avoid duplicating revenues and expenses in the summary result (ex. a government grant is counted as an expenditure of core government and is eliminated from the revenue of the ORE).

**Q9** What is Other Comprehensive Income (OCI) and how does it impact the government's summary results?

**A** OCI applies to certain OREs, and represents unrealized gains or losses in fair market value of financial instruments, such as investments held for sale or debt held in a foreign currency. Changes in OCI are based upon "mark-to-market" variances at year end and therefore, are a one-day snapshot of the change in value when compared to the same day in the previous year. Because OCI represents an unrealized gain or loss, it does not impact an ORE's annual operating results, and therefore, does not impact the government's Summary Net Income. However, OCI does impact the balance sheet and therefore, will impact the government's Net Debt and Net Debt to GDP.

When the underlying investments are sold, or when the foreign held debt is retired, OCI gains or losses are realized, which will correspondingly impact an ORE's net income and therefore the government's Summary Net Income.

## ■ GLOSSARY OF KEY TERMS

**Borrowings:** Borrowings are securities issued in the name of the government to capital markets investors. Securities include debentures, treasury bills, promissory notes, medium-term notes and Manitoba Savings Bonds.

**Consolidation Impacts:** The adjustments needed to bring the revenue and expenditure of the OREs into the Summary Budget, and to eliminate transactions between entities to avoid duplication of revenue and expense (ex. a government grant is counted as an expenditure of core government and is eliminated from the revenue of the ORE).

**Core Government:** A component of the GRE. Represents the operations of government, including the revenues directly under the government's control, and the programs and services delivered by government departments.

**Crown Organization:** An organization in the GRE that is wholly owned or established by the government, such as a Crown corporation (ex. Manitoba Agricultural Services Corporation).

**Debt Servicing Cost:** Interest and other expenses associated with provincial borrowings.

**Fair Market Value:** Represents the value obtainable for an asset, financial or non-financial, if disposed of on the open market.

**Federal Recoveries and Transfers:** Revenues that are either received or receivable from the federal government.

**Financial Assets:** Assets of the government such as cash, investments, loans and accounts receivable that could be readily converted to cash in order to pay the government's liabilities or finance its future operations.

**Generally Accepted Accounting Principles (GAAP):** Standard accounting practices and reporting guidelines as prescribed by the Canadian Institute of Chartered Accountants.

**General Purpose Debt:** General program borrowings including any government securities that are not self-sustaining, or are not associated with the acquisition of capital assets.

**Government Business Enterprises (GBEs):** A Crown organization delegated with the financial and operating authority to carry on a business. It sells goods or services to individuals and organizations outside the GRE and can maintain its business on those revenues.

**Government Reporting Entity (GRE):** Includes core government and Crown organizations, GBEs and public sector organizations such as regional health authorities, school divisions, universities and colleges.

**Gross Domestic Product (GDP):** Represents the total market value of all final goods and services produced in the Manitoba economy.

**Guarantees:** In the normal course of business, the government may provide a guarantee to honour the repayment of debt or loans of an organization, primarily GBEs. Such a guarantee is provided on the Manitoba Hydro Savings Bonds.

**Infrastructure Assets:** A subset of tangible capital assets that are used by the general public, such as parks, highways and bridges.

**Net Debt to GDP Ratio:** The ratio of government net debt relative to the total market value of all final goods and services produced in the Manitoba economy. Net debt represents the total liabilities of the government less its financial assets. It is widely used by credit rating agencies and other analysts to evaluate the financial situation and trends of jurisdictions in regard to their relative credit worthiness.

**Net Financial Assets:** Assets of the government (such as cash, investments, loans and accounts receivable) less accounts payable, that could be readily converted to cash in order to pay the government's liabilities or finance its future operations.

**Non-Financial Assets:** Includes physical items such as tangible capital assets (ex. buildings and roads) and consumable goods such as inventories that are not normally converted to cash.

**Obligations:** Long-term, non-interest-bearing liabilities of the government, which may or may not carry specific repayment terms.

**Other Comprehensive Income (OCI):** OCI is an accounting recognition of unrealized gains and losses in fair market value of financial instruments, such as investments held as available for sale or trading or debt held in a foreign currency. Currently, OCI accounting standards apply only to OREs, except not-for-profit organizations. It is measured as the change in "mark-to-market" valuations, interest rates, or foreign exchange rates at year end and therefore, is a one-day snapshot of the change in value when compared to the same day in the previous year.

**Other Reporting Entities (OREs):** Entities in the GRE such as Crown organizations, GBEs and public sector organizations such as regional health authorities, school divisions, universities and colleges that are directly or indirectly controlled by the government, as prescribed by the PSAB – excludes core government.

**Pension Assets Fund:** Financial assets that are set aside to provide for the orderly retirement of the government's pension obligations.

**Pension Liability:** Outstanding actuarially calculated pension liability of the government and participating Crown organizations. The expense includes amounts funded through the appropriations of core government as well as for the actuarially determined increases in the pension liability.

**Public Sector Accounting Board (PSAB):** A board established under the Canadian Institute of Chartered Accountants responsible for setting accounting standards for the public sector based upon GAAP.

**Replacement Value of Assets:** Represents the cost of replacing capital assets at current values.

**Sinking Funds:** Funds that are readily convertible to cash and set aside to provide for the orderly retirement of borrowings as they become due.

**Summary Budget:** Includes revenue forecasts and expenditure estimates for core government as well as high-level projections for the entities directly or indirectly controlled by government, as prescribed by the PSAB.

**Summary Net Debt:** Represents the total liabilities of the GRE less its financial assets. This is the residual amount that will have to be paid or financed by future revenue.

**Tangible Capital Assets:** Assets with a useful life extending beyond one year which are acquired, constructed or developed and held for use, not for resale.

# APPENDIX 3
## ENTITIES INCLUDED IN SUMMARY BUDGET (GOVERNMENT REPORTING ENTITY)

## HEALTH

- Manitoba Health
- CancerCare Manitoba
- Diagnostic Services of Manitoba Inc.
- Manitoba Health Services Insurance Plan
- Manitoba Hospital Capital Financing Authority
- Not-for-Profit Personal Care Homes
- Regional Health Authorities (including controlled organizations)
  - Interlake-Eastern Regional Health Authority
  - Northern Regional Health Authority
  - Prairie Mountain Regional Health Authority
  - Southern Regional Health Authority
  - Winnipeg Regional Health Authority
- Rehabilitation Centre for Children, Inc.
- St. Amant Centre

### Healthy Living, Seniors and Consumer Affairs

- Manitoba Healthy Living, Seniors and Consumer Affairs
- Addictions Foundation of Manitoba
- Funeral Board of Manitoba
- Financial Literacy Fund
- Land Titles Assurance Fund
- The Property Registry
- Vital Statistics Agency

## EDUCATION

### Advanced Education and Literacy

- Manitoba Advanced Education and Literacy
- The Council on Post-Secondary Education
- Assiniboine Community College
- Brandon University
- Université de Saint-Boniface
- Red River College
- University College of the North
- University of Manitoba
- University of Winnipeg

### Education

- Manitoba Education
- Manitoba Textbook Bureau
- Public Schools Finance Board
- Public School Divisions

## FAMILY SERVICES

- Manitoba Children and Youth Opportunities
- Manitoba Family Services and Labour
- First Nations of Northern Manitoba Child and Family Services Authority
- First Nations of Southern Manitoba Child and Family Services Authority

General Child and Family Services Authority
Metis Child and Family Services Authority Inc.
Office of the Fire Commissioner
Workplace Safety and Health Public Education Fund

## COMMUNITY, ECONOMIC AND RESOURCE DEVELOPMENT

### Aboriginal and Northern Affairs

Manitoba Aboriginal and Northern Affairs
Communities Economic Development Fund

### Agriculture, Food and Rural Initiatives

Manitoba Agriculture, Food and Rural Initiatives
The Farm Machinery and Equipment Act Fund
Food Development Centre
Manitoba Cattle Enhancement Council
Manitoba Horse Racing Commission
Manitoba Agricultural Services Corporation
The Veterinary Sciences Scholarship Fund

### Conservation and Water Stewardship

Manitoba Conservation and Water Stewardship
The Manitoba Habitat Heritage Corporation
Pineland Forest Nursery
Green Manitoba Eco Solutions
Manitoba Hazardous Waste Management Corporation
Waste Reduction and Recycling Support Fund

### Entrepreneurship, Training and Trade

Manitoba Entrepreneurship, Training and Trade
Entrepreneurship Manitoba
Manitoba Trade and Investment Corporation
Manitoba Development Corporation
The Manitoba Opportunities Fund Ltd.
Taking Charge! Inc. / Se Prendre En Main! Inc.

### Housing and Community Development

Manitoba Housing and Community Development
The Manitoba Housing and Renewal Corporation
Manitoba Community Services Council Inc.
Co-operative Loans and Loans Guarantee Board
The Cooperative Promotion Board

### Infrastructure and Transportation

Manitoba Infrastructure and Transportation
Crown Lands and Property Agency
Manitoba Floodway and East Side Road Authority
Manitoba Trucking Productivity Improvement Fund
Material Distribution Agency
Vehicle and Equipment Management Agency
Leaf Rapids Town Properties Ltd.

### Innovation, Energy and Mines

- Manitoba Innovation, Energy and Mines
- Abandonment Reserve Fund
- The Biodiesel Fund
- The Mining Community Reserve
- Manitoba Gaming Control Commission
- Manitoba Health Research Council
- The Mining Rehabilitation Reserve Fund
- The Quarry Rehabilitation Reserve Fund
- Economic Innovation and Technology Council
- Industrial Technology Centre
- Manitoba Education, Research and Learning Information Networks
- The Ethanol Fund

### Local Government

- Manitoba Local Government
- Community Revitalization Fund
- Manitoba Water Services Board

## JUSTICE AND OTHER EXPENDITURES

### Legislative Assembly

- Legislative Assembly

### Executive Council

- Executive Council

### Civil Service Commission

- Civil Service Commission

### Culture, Heritage and Tourism

- Manitoba Culture, Heritage and Tourism
- Le Centre culturel franco-manitobain
- Manitoba Arts Council
- Manitoba Centennial Centre Corporation
- Manitoba Film & Sound Recording Development Corporation
- Travel Manitoba
- Venture Manitoba Tours Ltd.

### Employee Pensions and Other Costs

- Pension Assets Fund

### Finance

- Manitoba Finance
- Crown Corporations Council
- Insurance Council of Manitoba
- Manitoba Financial Services Agency

**Justice**

- Manitoba Justice
- Helen Betty Osborne Memorial Foundation
- Legal Aid Manitoba
- Public Trustee of Manitoba
- Manitoba Law Reform Commission
- Civil Legal Services
- Victims Assistance Fund

**Immigration and Multiculturalism**

- Manitoba Immigration and Multiculturalism

**Sport**

- Manitoba Sport
- Manitoba Combative Sports Commission
- Sport Manitoba Inc.

**GOVERNMENT BUSINESS ENTERPRISES**

- Deposit Guarantee Corporation of Manitoba
- The Manitoba Hydro-Electric Board
- Manitoba Liquor and Lotteries Corporation
- Manitoba Public Insurance Corporation
- Workers Compensation Board of Manitoba

**SPECIAL ACCOUNTS, not attached to Sector or Department**

- Debt Retirement
- Fiscal Stabilization